

## **POLICIES HANDBOOK: FINANCE COMMITTEE**

### **SCOPE OF RESPONSIBILITIES**

The Finance Committee assists the Executive board in budgeting; making recommendations on the investment of NDLA funds; serving as the annual auditing committee; reviewing the quarterly financial statements; recommending changes where appropriate; and evaluating, at the request of the Executive Board, the need for change in the dues structure.

### **MEMBERSHIP**

The chair of the Finance Committee is appointed for a one-year term by the NDLA president. Committee members include the President, President-elect, Past-president, Treasurer, and Membership Committee chair. The Finance Committee chair is a nonvoting member of the NDLA Executive Board.

### **PROCEDURES**

The Finance Committee chair:

1. Attends all Executive Board meetings and the annual NDLA Conference.
2. Keeps up to date with local and state sales tax issues. Specific questions relating to state and local sales tax obligations should be directed to the sales tax division of the North Dakota Office of the State Tax Commissioner.
3. **Reviews the travel reimbursement rate set by the State of North Dakota and communicates any changes to the Webmaster for updating the reimbursement form and information on the web site.**
4. A quorum will consist of a majority of the committee members.

#### **Annual Operating Budget**

1. **Supply the Webmaster with a current copy of the budget request form for the website.**
2. Contacts section and roundtable chairs, committee chairs, and the ALA and MPLA representatives for budget requests. Includes a copy of the previous year budget when soliciting budget requests.
3. Compiles budget requests and sends to the Finance Committee for review. ~~Includes line items for *The Good Stuff* and for the Executive Secretary.~~ **Include line items as needed. Standing line items include *The Good Stuff*, *Donations*, and *Executive Secretary*.**
4. ~~Calls a meeting of The Finance Committee to~~ **will** prepare a draft budget for presentation at the fall/winter meeting of the Executive Board.
5. Reminds the Executive Board that the annual operating budget is separate from the NDLA conference budget. (The conference chair and Executive Board are responsible for development of the conference budget.)

6. Circulates the final annual operating budget to all Executive Board members following its adoption **by supplying an approved copy of the budget to the Webmaster for posting on the website.**

### **Audits**

1. Arranges for the annual ~~audit~~ **financial review** of the treasurer's books by ~~calling~~ the Finance Committee ~~together~~. **If questions arise a more formal audit will be conduct by the financial committee**
2. Asks the treasurer to forward records to the Finance Committee prior to the audit. (During the audit the treasurer is excused from the committee but remains available in an advisory capacity.)
3. Sees that a summary of the audit is prepared, reported to the Executive Board at its spring/summer meeting, and published in the spring/summer issue of *The Good Stuff*.
4. Submits to the Executive Board a recommendation for an external audit should the Finance Committee deem one necessary.
5. Recommends to the Executive Board an external audit be completed prior to a new Treasurer taking office.

### **Dues**

The Finance Committee:

1. Evaluates, at the directive of the Executive Board, the need for a change in the dues structure and makes recommendations to the Executive Board.
2. Works with the Constitution, Bylaws, and Policies Committee to develop ballot language for consideration by the general membership of NDLA when the Executive Board approves a dues change.

### **Investments**

1. Reviews investment of NDLA funds periodically, making recommendations for change to the Executive Board as deemed necessary.

## **REPORTS**

The Finance Committee chair:

1. Reports on Finance Committee activities at each Executive Board meeting and at the annual NDLA conference. (The annual written report is a summary of activities conducted by the committee during the year.)
2. Submits the annual ~~audit~~ **financial review** report to the Executive Board for publication in the spring/summer issue of *The Good Stuff*.
3. Forwards to the NDLA archivist/historian the following items at the end of the year:
  - a. Annual operating budget.
  - b. Annual ~~audit~~ **financial review** report.
  - c. Annual Finance Committee report.

## **FINANCE COMMITTEE BUDGET**

The annual operating budget for the Finance Committee includes travel expenses to Executive Board meetings, photocopy expenses, mailing costs, and supplies.

## REIMBURSEMENT

The NDLA Treasurer will make payments to NDLA members to reimburse expenses made on behalf of NDLA. Members must submit the “Request for Personal Reimbursement” form when requesting reimbursement. Receipts must accompany personal requests for reimbursement as indicated on the reimbursement form. The form is available on the NDLA web site in pdf format.

The reimbursement for travel to Executive Board meetings is as follows:

~~Non-conference board meetings:~~

- NDLA will cover hotel cost when a board member must travel the night before a meeting ~~or, in the case of post conference meeting, stay the night after.~~
- NDLA will cover mileage cost
- No meals will be reimbursed.

~~Conference board meetings:~~

- ~~If a scheduled board meeting requires a board member to travel the night before the board meeting starts or stay the night after the post conference board meeting is over, NDLA will cover the cost of the hotel~~
- ~~No mileage will be paid~~
- ~~No meals will be reimbursed.~~

NDLA appreciates when institutions cover any or all of these expenses for their employees. **NDLA recommends that board members request travel reimbursement from their institution prior to requesting reimbursement from NDLA.**

**The Finance Committee recommends that board members planning to request reimbursement of travel expenses for attending NDLA board meetings share travel expenses whenever possible. This includes both transportation (i.e. carpooling) and lodging (when necessary). When requesting reimbursement for shared expenses, indicate all parties incurring cost so that each section or committee’s budget can be assessed a share of the cost. By reflecting expenses accurately by budget category, incoming section, roundtable and committee chairs as well as the NDLA Finance Committee will be able to plan future budgets with greater accuracy. Compliance with this policy will be up to each individual board member.**

Payments made to individuals and businesses that have provided merchandise or services to NDLA require the submission of a “Request for Third Party (Vendor) Payment” form to the NDLA Treasurer. The form is available on the NDLA web site in both pdf and html file format. 1) Forms submitted using pdf must be signed by the NDLA member responsible for authorizing the expenditure and should be accompanied by a valid invoice or statement. 2) Forms submitted using html must be sent from the e-mail account of the NDLA member authorizing the payment. The html form is used when the vendor is expected to send a valid invoice or statement directly to the Treasurer.

The NDLA Treasurer may question a request for payment at any time and is encouraged

to consult with the Finance Committee to obtain approval or rejection before payment of a questionable reimbursement is made

## CHRONOLOGICAL GUIDELINES

### September

- Provides incoming chair with files and the Finance Committee policies handbook at the post-conference Executive Board meeting.
- Orients incoming chair on duties of the Finance Committee.

### October

- Contacts all committee, section, and roundtable chairs, and the ALA and the MPLA representatives, soliciting operating budget requests for the next year. **Remind them that the budget request form is on the website.** (Allow approximately one month from the notice until budget items are due.)

### November/December

- Prepares budget recommendations for the next year based on requests received; presents draft to Executive Board.
- Reviews NDLA's financial statement ending September 30, making recommendations for change as appropriate to the Executive Board.
- Sees that the financial statement is published in the fall/winter edition of *The Good Stuff*.

### January

- Reviews local and state sales tax guidelines.

### February

- Conducts the annual ~~audit~~ **financial review**; reports findings to the Executive Board. Sees that the ~~audit~~ **financial review** report is published in the spring/summer edition of *The Good Stuff*.
- Reviews NDLA's financial statement ending December 31, making recommendations for changes, as appropriate, to the Executive Board.
- Sees that the financial statement is published in the spring edition of *The Good Stuff*.

### May

- Reviews NDLA's financial statement ending March 31, making recommendations for changes, as appropriate, to the Executive Board.
- Sees that the financial statement is published in the summer edition of *The Good Stuff*.

### July

- Reviews NDLA's financial statement ending June 30, making recommendations for changes, as appropriate, to the Executive Board.
- Sees that the financial statement is published in the pre-conference edition of *The Good Stuff*.

August/September

- Prepares reports for the annual NDLA Conference.
- Attends the annual NDLA Conference and provides an oral and written report of activities at the pre-conference Executive Board meeting and at the general membership meeting.
- Forwards substantive reports of the Finance Committee to the archivist/historian.

Approved by the Executive Board: May 15, 2000

Approved by the Executive Board: Dec. 9, 2002

Reimbursement statement added by Executive Board 3/22/02

Reimbursement statement revised by Executive Board 12/09/02

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